

Starting in the year 2000, there began to be a decline in transnational funding. This had then caused a chain of events that had hurt the environmental movement. All of the segments of the environmental sector were shrinking, and there began a decline of support from the eco-imperialist segment. Although these segments seemed to be suffering, the eco-resistors had begun to thrive. Since the eco-resistors are independent of any foreign aid, they did not have to work to get anyone else's approval and emphasized "buen vivir/ sumak kawsay" once again. In 2000 and 2001, there was also a decline in Ecuador's environment because funders were hesitant to give financial assistance which made it more difficult for environmental organizations to complete tasks that were given to them. Since eco-dependent organizations relied on financial assistance from foreign funds, their power had taken a sharp decline since they were not able to complete the tasks that the foreign bodies had wanted.

Lewis had claimed that there were three main reasons for the decline in transnational funding. The first reason being that there was a financial crisis in the 2000s and that this had caused a loss of confidence in Ecuador's political-economic system. The second reason being that after the terrorist attacks in the United States in 2001, the funding from the United States had shrunk due to the fact that the United State's interest was now on the Middle East. The third reason was that in the late 90s, there were two large projects that were coming to an end. This was impactful due to the fact that those projects had come with a lot of money that was benefiting the environment.

This was all happening at the same time that the construction for the oleoducto de crudos pesados was happening in 2001. This project would mean that heavy crude oil would be able to be taken from the rainforest town of Lago Agrio to the port city of Esmeraldas. This project was met with protests from environmentalists. When the environmentalists lost the cause for this project, they were devastated which lowered the morale of this group. The environmentalists also lost morale for the movement because there was a lack of unified response from the Ministry of Energy and Ministry of the environment.

In the paper, "Ecuador and the International Monetary Fund," the author, Stanley Fischer, makes the claim that the last year that Ecuador's economy was good was in 1994 when President Sixto Duran Ballen was still in office. Fischer explains that this year was good because the gross domestic product raised by four percent as well as the inflation was at twenty seven percent. A year later in 1995, Ecuador had a border war with Peru which required an increase in military spending. The International Monetary Fund (IMF) had come to Ecuador in the March of 1999 when the country's exchange-rate band was abandoned after the interest rates increased greatly. Another reason that the IMF mission came to Ecuador was because the lump sum of \$250 million in which Ecuador had received from intervention had failed to save the country's economy. Since the IMF could only do so much for Ecuador logistically, internal restructuring was necessary. The Ecuadorian government used strategic cash flow relief and debt reduction policy to secure a sustainable fiscal position during the medium term. It wasn't until August of that year that Ecuador was able to secure a successful debt exchange with the help of IMF.

In the article, "Economic crisis forces Ecuador to abandon its own currency," a correspondent of the World Socialist Web Site had discussed the state of Ecuador's economy and government. Since Ecuador had dealt with the collapse of their oil prices as well as severe weather that had damaged a majority of the banana crops that would be exported.

In the year 2000, former President Jamil Mahuad had announced that Ecuador was abandoning its currency, the sucre, and they were going to be dollarizing their economy. This

would mean that the United States Treasury would be responsible for controlling the money supply, interest rates, and the circulation of the United States dollar. The dollarization plan is considered to be one of the last desperate actions to try to save Ecuador's economy. The regime was seeking approximately \$250 million in loans from the IMF as well as \$1 billion from foreign lenders. The combination of the two would be enough to slowly bring Ecuador out of its financial crisis.

Martín Pallares had wrote an opinion article for the New York Times, "Ecuador's Political Eruption," which he spoke about how the government worked to improve the economy of Ecuador. The author begins in January of 2000, discussing the forced resignation of Jamil Mahuad. Since there was a banking crisis, this led to the closure of twenty-four banks, the immobilization of saving accounts, and the transition from the sucre to the United States dollar, the citizens of Ecuador had called for the resignation of Mahuad. Years later, in 2007, President Correa had governed his country with an iron fist. Throughout the terms that Correa had served, his popularity with his citizens had decreased. One instance of this would be that in indigenous communities, they had begun to express how they did not agree with the decisions that the government was making. Many of the citizens had formed protests that were meant to express their disapproval of President Correa's abuse of power, especially when he had used this power to suppress his citizen's freedom of speech. President Correa was involved in conflict with independent news media, and often labelled them as a "global problem." Since the environmentalists were vocal about their disapproval of the government's decisions when Correa was in office, the suppression of their freedom of speech hurt the environmental movement.

In order to combat the loss of morale that the environmentalists were feeling, environmental organizations had started to brainstorm strategies which included shutting down, shifting their agenda, generating regular income, and a concept called "Proyectismo." It is known that the number of organizations increase during higher funding and then this number decreases when the funding decreases or halts. Since some eco-dependent organizations had lost control over their funds or the concepts that they would have to work with, some of these groups had come up with exit strategies. Since the organizations had to compete for the financial assistance, some groups had shifted the agenda. The funding was given more to those groups who had worked toward conservation, so many groups shifted and adapted in order to sustain themselves. Other groups had also worked to generate a regular income by providing regular services for a fee. This concept was designed in order to promote a self-sustainable development from the services provided to outside sources. The last strategy that Lewis talks about is proyectismo, which has eco-dependent groups supporting themselves from working from project to project. Although concrete goals were established by different environmental organizations, it also generates more competition between these groups.

During this chapter, Lewis had brought up a controversial biodiversity law that Ecuador was putting into action. On one side of the argument, Accion ecologica had argued that this law would make individuals able to steal the knowledge around biodiversity as well as sell resources. On the other side, there were groups of individuals who had believed that the knowledge should be shared with everyone and argued that the opposing side was attempting to make a cause out of thin air.

There was also an argument about which groups were a part of the environmental movement and which ones just completed projects. The environmentalist's opinion was that Accion Ecologica and the different grassroot communities are a part of the environmental

movement. They also argue that there was no national movement, and that there were only initiative driven groups such as the NGOs which compromised funding. While the grassroots level was working towards the real movement, eco-resistors had put their emphasis on the local level. Environmentalists saw this as one of the main strengths of the movement due to the fact that there were more human resources that were quality.

Overall, it was interesting how Lewis outlined the different strategies for dealing with the decline of international funding. I would have assumed that the majority of the groups would have changed their goals in order to meet more similar goals from foreign entities. I would not have imagined groups to work toward a regular income by performing services for funds.

Resources:

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